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CENTRAL INTELLIGENCE GROUP

INTELLIGENCE REPORT

25X1A

95854

COUNTRY Paraguay/Argentina

CONFIDENTIAL

DATE: 25X1A

SUBJECT Accusation that Argentina is supplying arms to Paraguay

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SOURCE

1. Copies of a letter allegedly written by Colonel Federico W. Smith on 14 May 1947 to General Gregorio Pomar, an Argentine National Deputy in Buenos Aires, have been circulating in Asuncion. The letter is apparently in answer to a letter received by Colonel Smith from General Pomar on 21 April 1947 in which Pomar, as a friend, called on Smith to attempt to bring about a prompt conciliation between the warring factions in Paraguay, and to work for a return to peace in that country.
2. The contents of the letter of 14 May, of which Colonel Smith is purported to be the author, explain how Colonel Smith wished to play a conciliatory role in Paraguay, but how he was precluded from so doing by the unwillingness of members of the Government and of the Army to depose Morinigo, and by their desire to sacrifice the Navy. He further states that he departed from the country in order not to become involved in the shedding of the blood of civilians and sailors in the uprisings in Asuncion of late April.
3. The most significant part of Colonel Smith's alleged letter, however, is his statement that Argentina has agreed to supply arms to the Government of Paraguay. It is stated that an agreement signed by Colonel Emilio Diaz de Vivar, Chief of the General Staff, during his trip to Buenos Aires in April, provided for the supplying by Argentina every two weeks of 1000 rifles, 500 mortar grenades, 500 artillery grenades, 1000 hand grenades with a high explosive power, and 1,000,000 machine gun and rifle bullets. It is said to be anticipated in the agreement that in three months Argentina would provide the Morinigo Government with all the war materials it desires, of the kind and in the quantity it needs. The author of the letter states that his hasty departure from Paraguay prevented him from presenting to General Pomar documentary proof of the existence of the agreement. But the writer points out to General Pomar that the former knows his word of honor as an ex-Commander in Chief of the Armed Forces of Paraguay is enough to substantiate the truth of his assertions. Finally, the author of the letter states that hundreds of persons in Argentina and Paraguay are taking part in this regrettable traffic in arms.

25X1A Comment: It should be noted that the authenticity of this letter can not be proven.

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